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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 006266

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TAGS: PREL UNGA SENV IR SU IZ BM LE CH

SUBJECT: CHINESE MFA ON UNGA

REF: A. A) STATE 130755

¶B. B) BEIJING 6082

¶C. C) STATE 129919

1D. D) STATE 132353

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Classified By: Political Minister Counselor Aubrey Carlson for reasons 1.4 (b/d).

SUMMARY

- 11. (C) Drawing on Department guidance (Ref A), Poloff discussed the 62nd UNGA session with Chinese Ministry of Foreign Affairs (MFA) International Organizations and Conferences Department UN Division Deputy Director Yao Shaojun on September 24 (the first date the MFA was available). Yao's key points were:
- -- China consistently has expressed concern about including "financial sanctions" against Iran in a new UNSC resolution.
- -- The focus on the Darfur peace process must be to pressure the rebels to join planned October 27 talks.
- -- China agreed to cancel all Iraqi debt owed to the Chinese government and to reduce Iraqi debts owed to Chinese enterprises (Ref D).
- -- China should be involved in the Middle East peace process.
- -- The Lebanese political crisis must be solved through internal political dialogue, and China is unlikely to contribute to financing the Special Tribunal (Refs B, C).
- --There should be no preset deadline or pre-judged result for Kosovo negotiations.
- -- China does not view Burma as a matter for the UNSC but wishes to avoid confrontation on this issue with the United States.
- $\mbox{--}$ UNSC reform in the coming year will be a bigger headache for the United States and China.
- Yao also discussed climate change and UN budget reduction efforts. END SUMMARY.

Iran

12. (C) After routinely stating that the United States and China agree on the overall goal of preventing Iran from developing a nuclear weapon, Yao said that "progress was not good" at the September 21 P5-plus-1 Political Directors meeting and that Political Directors would need to meet again ahead of the P5-plus-1 Ministerial. China had stated since the beginning of consultations its "core concern" about inclusion of financial sanctions in a new UNSC resolution.

Such sanctions would devastate China's energy and other economic cooperation with Iran. China looks to use UN Security Council Resolution (UNSCR) 1747 as a model for a "package solution" that addresses the core concerns of each side. He said such a draft resolution would give the United States plenty of room for "more tough sanctions" without harming China's interests.

Darfur

13. (C) Yao said that China and the United States share the same objectives in Sudan. He said U.S.-Chinese cooperation is now strong on Darfur and quoted U.S. Special Envoy Natsios as saying "China had done more than expected on Darfur." The main problem now is the rebels. The international community must focus on pressuring all the rebel factions to go to planned October 27 political negotiations.

Iraq

¶4. (C) Yao said that the Chinese government agrees the International Compact is a good platform for advancing progress in Iraq. In China's view, the key to resolving the Iraq problem is stability and national reconciliation. Yao said China agreed to cancel all Iraqi debt owed to the Chinese government and to participate in reduction of debts owed to Chinese enterprises according to the Paris Club model.

Middle East

 $\P5.$ (C) Yao said that China fully supports the objective of reducing tensions in the Middle East. Yao's personal view was that negotiations should involve the full participation

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of the whole international community, including China. Yao recalled China's participation in the 1991 Madrid conference.

Climate Change

16. (C) Saying that he is not an expert on climate change, Yao noted China's position that the framework of the UN should be the main channel for an agreement. He said China continues to stress the need for "common but differentiated" commitments on climate change.

Lebanon

17. (C) Yao said that China and the United States have different views on Lebanon, though China also supports the need for free and fair presidential elections. China believes the disarming of Hizballah, a political party and force within Lebanon, is a sensitive domestic issue that can only be solved through dialogue within Lebanon. Yao said that China abstained on UNSCR 1757 and is unlikely to make a contribution to the establishment of the special tribunal.

Kosovo

¶8. (C) China agrees that the current Kosovo situation is not sustainable. China supports the work of the Troika, but opposes any preset deadline or preset decision on the status of Kosovo. The two sides must discuss these questions and reach a solution through dialogue and compromise. China's hope is that December 10 is a deadline for the Troika to report on its progress, not for an end to the negotiation.

Burma

19. (C) China is very supportive of UN Special Envoy Gambari's good offices in Burma and helped persuade the Burmese government to accept a Gambari visit. However China does not believe that Burma is a threat to international peace and security (i.e., Burma is not an appropriate subject UNSC action). China would not oppose another informal briefing of the Security Council by Gambari. Whether Gambari should brief the Security Council formally "depends on the situation." In any case, China wishes to avoid confrontation with the United States over Burma and would prefer "quiet, close cooperation."

UNSC Reform

110. (C) Yao noted that the United States and China have cooperated closely on UNSC reform, where the two countries share a common interest. He said that reference to "inter-governmental negotiations" in the recent Open-ended Working Group report was "not good for the United States and China." Until now, the United States and China had the luxury of being vague in their opposition to various reform proposals. With the start of inter-governmental negotiations, the two countries will need to be much clearer and precise. Yao said that personally he hopes China and the United States can support four preconditions for coming negotiations: 1) negotiations should be held in the working group; 2) negotiations should be based on the "intermediate approach" (i.e., electable and long-term seats, but not permanent seats, are negotiable); 3) negotiations should be on the basis of consensus; and 4) any solution would be strictly an "all or nothing" package approach.

UN 2008-2009 Budget

111. (C) Yao said China supports in principle the objective of eliminating or substantially reducing the level of a real increase in budget request. However, China in the past has often felt that the United States tries to achieve budget reductions completely at the expense of programs important to the developing countries. Such reductions need to be the object of negotiation and compromise, he said. Randt